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Drug Enforcement Administration
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Registrant FACTS

Pharmacy Thefts: No Simple Solution

DEA's Pharmacy Theft Prevention Program, a Community Effort

Pharmacies are Vulnerable

Drug theft continues to be a very significant form of diversion. The incidence of drug theft from all DEA registrants has steadily climbed from 8,874 in 1976 to 11,404 in 1979, an increase of 28.5% In 1979, the DEA estimates that in excess of 44 million controlled dosage units were lost through theft. Undeniably, pharmacies are more vulnerable to drug thefts than any other DEA registrant. In 1979, community pharmacies accounted for almost three-fourths of all thefts reported to the DEA.

Night break-in (burglary) is the most common method of operation used in a pharmacy theft. This has been true historically and continues to hold true today. However, the DEA has noted an alarming increase in armed robberies. In 1979, the number of reported armed robberies from pharmacies increased by 33% over 1978. This rise in violent crime is apparently not isolated to pharmacies since the number of armed robberies reported by all DEA registrants also increased by 33% in 1979.

DEA Studies Pharmacy Theft

The importance of pharmacy theft as an enforcement problem and the plight of the pharmacist as a small businessman have long been recognized by the DEA. In the early 70's the DEA sponsored two studies of pharmacy theft. An analysis of the problem disclosed no simple solutions or general panacea. Nevertheless, it appeared that a true community effort could significantly reduce the incidence of pharmacy theft. A strategy was developed involving community leaders in a major metropolitan area and a program was implemented with the assistance of all licensed pharmacists in the community. This pilot project resulted in a 46% reduction in armed robberies and a 55% reduction in burglaries over a 6 month period.

PTP Program Established

The success of this pilot project resulted in the creation of a continuing DEA program labeled the Pharmacy Theft Prevention Program. The PTP program provides expertise and assistance to communities which have chosen to band together to reduce pharmacy theft. Generally the programs will be directed by an executive committee consisting of representatives from the local pharmaceutical association, the local police department, and the DEA. This committee will develop a program to reduce pharmacy thefts in the community.

Executive Committee Directs Program

The first order of business for the executive committee is to mobilize participating pharmacists. The DEA provides information regarding inexpensive security devices which will deter many potential burglars. Local police will provide expertise with respect to armed robberies. Simple lighting devices or changes in a pharmacy layout will often make the potential site of an armed robbery very unattractive. The executive committee will also request, through the representative from the police department, additional police patrols. Successful apprehension of burglars and robbers is directly related to the time it takes the police to respond after

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Pharmacy Thefts, *from p. 1*

notification of a crime. The executive committee must also recruit the media. Media coverage serves to elicit support for the program from other elements in the community. It is also essential to enlist the aid of local prosecutors. Criminals who are apprehended must be prosecuted to the fullest extent of the law. The executive committee must convey these sentiments to local governments in order to make pharmacy theft an undersirable method of acquiring drugs.

Program's Success Requires Participation

There are currently ten city-wide PTP programs and two state-wide programs. Four additional programs are being developed in Kansas and Missouri. Undeniably some programs are more successful than others. The success of a PTP program can, in large part, be attributed to the individual pharmacist participant. Communities with a high degree of participation will generally be more successful.

The Johnson County Program

One of the most successful PTP programs is in Johnson County, Kansas. This program has been operational since early 1978. The program originally directed its efforts at upgrading pharmacy security. Significantly, every pharmacist doing business in Johnson County joined the PTP program. Participating pharmacists were initially instructed in viable security precautions. A detective for the city/county Investgative Squad then made a personal visit to each participating pharmacy and made general security recommendations. If the pharmacist-owner upgraded his security he was issued a sticker indicating that he had taken certain precautions against theft. Every pharmacy in the community requested a security evaluation and 100% of the participants received a decal. In 1980 to date, there have only been four burglaries in Johnson County, Kansas, and their has not been one armed robbery.

Pyramid Telephone System Used to Alert Pharmacists

The Johnson County program has also made progress in reducing diversion from forged prescription orders. The program developed a community system to deal with this problem which they call the Pharm-Alert system. When a pharmacist first discovers a forged prescription order he notifies the detective who is part of the program. This detective assures a quick response to the site of the crime. Additionally, he notifies a number of pharmacists regarding the description of the suspect and his method of operation. These pharmacists call a selection of pharmacists, who in turn convey the information to other pharmacists. In this pyramid fashion, the entire community can be notified of the problem. Even if the suspect is not apprehended immediately, all pharmacists in the area will be aware of

his activities.

The Johnson County program was further instrumental in the passage of a state law making the acquisition of controlled substances through fraud and deceit a felony. This was accomplished through the efforts of Mr. Joseph Shalinsky, Secretary of the Kansas State Board of Pharmacy, and Dectective Richard A. Darnell, Intelligence Analyst for the city/county Investigative Squad. These two individuals are also members of the executive committee of the PTP program.

Program Sparks Others

Detective Darnell reports that prior to the initiation of the Johnson County PTP program 35% of all illicit controlled substances in the area were of pharmaceutical origin. Now only around 5% of the area's illicit drugs are of this origin. Detective Darnell attributes this decrease to the efforts of the Johnson County PTP program. The success of this program has generated interest in the concept by other communities. It appears that PTP programs will be formed in Independence, Missouri; Wyandotte County, Kansas; Kansas City, Kansas; and Lawrence, Kansas.

Other PTP programs have used similar devices to prevent pharmacy crime. Security inspections with decals are routinely made through PTP programs in Dallas, Texas; Denver, Colorado; and Louisville, Kentucky. The PTP programs in Clark County, Nevada, and Utah State have adopted a similar pyramid system to prevent forged prescription orders.

Educate and Communicate

An essential requirement for all PTP programs is to educate the pharmacists and the community on the nature of pharmacy theft. For example, on September 10, 1980, A.C. Rivera, a Compliance Investigator in DEA's San Juan District Office, addressed the pharmacists association on the purpose and progress of the San Juan PTP program. Likewise, in Johnson County, Kansas, Compliance Investigator Everett Barger delivered a slide presentation on armed robbery to participants in the Johnson County program. In Nashville, Tennessee, Ms. Nola Winters, Chairperson of the PTP Steering Committee, presented theft information to the Tennessee Pharmaceutical Convention in June of this year.

Pharmacists in some areas have not been totally committed to the program. For example, in the spring of this year the PTP program in San Diego, California, sent out a security questionnaire to all pharmacists in the program area. Only 23% of the community took the time to fill out the form. A similar questionnaire was mailed to pharmacists in the Allegheny County, Pennsylvania, program area. Only 36% of the pharmacists querried responded. In May the Allegheny County program sponsored a drug security workshop. Over 400 invitations were mailed, however, only 36 pharmacists attended.

The Program Has Been Successful

By and large the program has been successful. A comparison of drug thefts from pharmacies during the first six months of 1980 as opposed to the first six months of 1979 shows a 4.5% decrease in PTP areas as opposed to an increase of 2.7% for pharmacies overall. In Rhode Island State, the PTP program has been credited with a 2% decrease in diversion of controlled substances. Perhaps of more significance is the statistical performance of PTP programs with respect to armed robberies. Nationally armed robberies increased by 30% in 1979. Currently there is no increase in armed robbery in PTP areas.

DEA Willing to Expand Program

The DEA is ready to commit more manpower to this program area. The problem of pharmacy theft is tenacious and difficult. Only a concerted effort by all concerned parties will alleviate this burden on individual pharmacits and reduce the diversion of controlled substances by theft. Interested parties desiring more information on the DEA's Pharmacy Theft Prevention Program are urged to contact one of our Regional Compliance Program Managers listed below:

Compliance Program Manager
Northeastern Regional Office
555 West 57th Street
New York, New York 10019
212/399-5131

Compliance Program Manager
Southeastern Regional Office
8400 N.W. 53rd Street
Miami, Florida 33166
305/591-4880

Compliance Program Manager
North Central Regional Office
219 South Dearborn Street
Chicago, Illinois 60604
312/353-1234

Compliance Program Manager
South Central Regional Office
1880 Regal Row
Dallas, Texas 75235
214/767-7203

Compliance Program Manager
Western Regional Office
350 South Figueroa Street
Suite 800
Los Angeles, California 90071
213/688-5225 ■

Robert Williamson, Staff Assistant,
Compliance Division,
Office of Compliance and Regulatory Affairs,
Drug Enforcement Administration.

Drug Distributors - Targets of the Sophisticated Burglar

The effort to provide effective controls and procedures to guard against the theft of controlled substances has continually been one of the primary concerns and responsibilities of both the DEA and industry. The safeguards established by regulation and implemented by industry are constantly being tested by the criminal element.

This has been demonstrated by several notable burglaries including two at northeastern drug distributors. A total of approximately 325,000 dosage units of Schedule II products was taken from one firm while the other break-in netted over 300,000 dosage units of controlled substances in various schedules.

Evidence indicates that these successful break-ins were accomplished by professional burglars armed with the technical knowledge to circumvent the alarm system and to compromise the vault.

The nature of these two break-ins featured sophisticated techniques, which after analysis have suggested elements of burglary prevention which should be highlighted. An awareness of the telltale signs of an impending burglary coupled with alert employees may serve to prevent the burglary as well as lead to the arrest of the criminals involved.

The experience of these two break-ins highlights two areas of concern: (1) the method of attack and (2) suggested methods of prevention. For purposes of confidentiality, the firms will be referred to as Company A and Company B.

Company A is situated in an isolated area approximately 1,000 feet from a main highway. This firm possessed both electronic and physical security measures which either met or exceeded

existing security regulations. The alarm system was tied into a local alarm company, via a dedicated line. This system was circumvented with the aid of a "black box" which was attached to the dedicated line by means of four phone jacks. The point of attack was a utility pole located approximately 150 feet from the building. It was here that the telephone cable exited an underground conduit and became exposed. No alarm signal was ever reached at the central station during this attack. The break was discovered by employees of the firm on Monday morning. The vault door was defeated by means of a drill attack. Utilizing a carbide drill, the intruders circumvented the door's locking and relocking devices, indicating expert knowledge of lock mechanisms.

Company B is situated in an isolated industrial park off an interstate highway. The firm's physical and electronic security either met or exceeded that required by federal regulations. This alarm system was tied into the central station of a local alarm company, via a dedicated line. This system was also circumvented utilizing a "black box" which was attached to four pairs of telephone lines by means of eight phone jacks. The point of attack was the conduit through which the telephone lines exited the building. This conduit was located against the north side of the building. No alarm signal was ever transmitted during this break. The break was discovered by employees of the firm on Monday morning. The vault door was penetrated as the result of a peeling attack. The intruders attempted to drill out the locking device, when this failed, the door was subjected to and succumbed to an attack by pry bars.

Methods of Protection

Weekend - In each case, the break took place over the weekend, thus affording the intruders up to 62 hours to compromise the security systems. If authorized individuals, such as cleaning and maintenance crews or data processing personnel, were scheduled to work at the facility during either a Saturday or a Sunday, this would reduce the amount of "free" time available to the intruders. If the scheduling of these personnel was done on a fluctuating basis from one weekend to the next, the intruders would not be able to plan their attack according to a fixed timetable. The safety and welfare of these employees cannot be overlooked if this method is utilized.

Alarm Companies - A firm should be selective in choosing a reputable alarm company. Although choices may be limited in

certain geographical areas, every attempt should be made to deal with those companies which will provide creditable service and are staffed with competent personnel. A firm's negative experiences with a particular alarm company may necessitate the selection of a more responsible and reputable firm.

Point of Attack - In each case the point of attack was at a concealed location, where access could be gained to the telephone trunk line. In all of these instances the conduit covering the cable was also utilized to conceal the point of attack. The reason being that the compromising of the system would normally take place over a period of time. In other words, if it was necessary to jump the line with eight "make before" break jacks, the intruders would probably attach one or two jacks a night over a four-night period. One way of meeting this problem is constant visual and physical inspections of the line cable sheath being slit, pipe wrench marks on the conduit, or the fact that the conduit may be hand loosened. If these inspections are carried out, it should be possible to detect the presence of an intruder and his efforts to defeat the alarm system.

False Alarms - A good indicator that the firm is being set up for a break is the development of a pattern of false alarms which have no identifiable cause. An intruder would trigger a false alarm for one of two reasons. First, to evaluate the local police department's response time. Secondly, the intruder might inadvertently trip the alarm while he is in the process of jumping the line. A good indicator of the latter would be the fact that the false alarms were generated by either a grounded line condition or a momentary grounded line status. These normally indicate that the problem is with the telephone line itself and not the equipment.

Zip Strips and Tagging - It is the practice of the telephone company to tag all alarm lines, be they fire or burglar. This tagging is usually done at what is known as the zip strip or the terminal block, where all the internal phone lines are joined to the exterior leg line. These zip strips, for the most part, are situated on an exposed board which is normally located in the warehouse area. If this is the case, the zip strip should be covered by a secure panel. Access to the strip should only be available to authorized personnel of the telephone or alarm company. If the boards are not concealed any passerby would be able to note either a red tag or in some cases a card with the name and address of the alarm company. In both cases the viewer would be able to discern which pairs had been allocated to the alarm system, thus facilitating an attack on the telephone lines outside the building.

Equipment and Technology - All of the equipment necessary to circumvent the bulk of alarm systems in use today can be obtained rather easily. In fact, to defeat a standard dedicated line all of the equipment with the exception of a direct pulse generator may be bought at a retail outlet. The direct pulse generator could be obtained from an electrical supply house. The technology or expertise necessary to utilize this equipment also may be readily available in the form of corrupt alarm installers. In one case, a week before the break at Company B, the alarm company service truck was burglarized and a quantity of equipment and manuals concerning the equipment installed at Company B were stolen.

Vaults and Safes - Even those vaults or safes which meet the Class V ratings will succumb to a torch or tool attack, given enough time. If the alarm system is defeated, the vault or safe will, without any question, be penetrated since the intruders may work at will.

Organizations Involved

DEA is currently coordinating an ongoin investigation into these breaks and the organizations behind them. This investigation unit is comprised of the following:

Drug Enforcement Administration
Federal Bureau of Investigation
Two State Police Departments
Two City Police Departments
One District Commissioner of Police

DEA and the drug industry share a mutual concern in their efforts to effectively reduce a firm's vulnerability to burglary. The break-ins at these drug distributors, while demonstrating the use of rather sophisticated and professional techniques to effect a successful burglary, also serve as a convincing argument for a firm to be constantly evaluating their security procedures. An important factor in an effective security system is constant vigilance and with the implementation of the suggested methods of prevention a security system should be strengthened. ■

Harold E. Dieter,
Staff Assistant, Compliance Division,
Office of Compliance and Regulatory Affairs,
Drug Enforcement Administration.

Walter Houghton,
Compliance Investigator,
Boston District Office,
Drug Enforcement Administration.

Letter of Information

Drug Enforcement
Administration
South Central Regional Office
1880 Regal Row
Dallas, Texas 75235

Dear Registrant:

We would like to inform you of the circumstances of a series of armed robberies and burglaries which have been occurring at an increasing rate throughout the South Central and South Eastern United States. Because of the similarities between some of them and because of the frequency we feel that you should be apprised of the details so that you can evaluate your own security and if possible guard against the same things happening to you.

Between approximately November 1979 and May 1980, a series of four armed robberies have been committed; one in Houston, one in Dallas, and one in Kentucky and Tennessee. In at least three of the instances, the circumstances are so similar, down to the type of dress worn by the individual and the demands and statements that he made to the individuals at the firm, that we must conclude that they may have been committed by the same individual. In these three instances, the individual came into a wholesalers' warehouse and applied for employment as a truck driver. He filled out an appication and went from there to the operations manager or branch manager's office for a personal interview. After being seated, he told the company representative that he had a gun in the waistband of his pants. In all three instances he pulled-up the shirt enough to show the man the gun but never pulled it out into plain sight in any of the three instances. He then told the man to remain calm, that there was an associate in an automobile outside with an automatic rifle, and that he was to take him back to the vault and give him all the Dilaudid® and all of the cocaine. In all three instances, again, the wording was identical, and in all three instances he asked only for Dilaudid® and cocaine. In all four instances, the firm's officials complied with the request and the man was successfully able to get away.

It is very difficult to guard against an occurrence similar to this although we would suggest that you make contact with the law enforcement agency that has jurisdiction in your area and seek their advice on this matter. There are some things that we feel that you can do. Alert your people to the possibility of this happening to you so that they can be more alert to strangers walking in to the Controlled Drugs storage area. Your people can be more alert about remembering the details of the person's appearance so that an adequate description and descriptions of vehicles for later cooperation with law enforcement agencies. If you have access to closed-circuit television equipment in the warehouse, this would also be something that would furnish an excellent description of an individual to aid police in their subsequent investigations.

In another instance the firm had also hired another young man who had been working at the firm for approximately three weeks, up until one week prior to the time of the armed robbery. In later conversation with warehouse employees, it turned out that the young man who had been employed by the firm had asked extensive questions of many people in the warehouse regarding the extent and type of security devices employed in the warehouse. This may have been strictly a coincidence but again, if someone is employed who expresses an unwarranted amount of curiosity about the operation, type, and number of security devices in the warehouse, we would definitely suggest that the person be considered to be a suspect and that you share this information immediately with the law enforcement agencies that have jurisdiction in your area.

In addition to the armed robberies, there have also been a series of burglaries over the past year, again centered in the South Eastern United States. Many of these have been very similar to the burglary which occurred in Dallas approximately five years ago in that a telephone line was cut on the outside of the building which caused the alarm systems inside the building to immediately cease functioning. In this instance and in the other more recent instances both law enforcement, security company personnel, and company personnel responded and arrived at the warehouse. It was verified that the alarm system had gone down and it was not possible to reset it. In the recent instances, however, all the personnel simply vacated the premises and sometime later at night, the burglars entered the building and escaped with large quantities of Controlled Substances.

There were several subsequent instances in the Dallas region where the alarm line did cease functioning in the middle of the night and in these instances we advised you at the time and apparently firm officials did respond and placed an armed

guard on the premises for the remainder of the night or until the alarm system could be put back in a functioning order. We want to remind you again, however, that there does seem to be an outbreak of this type of burglary again, and remind you that if the alarm system does become nonfunctional for any reason that you should immediately make arrangements for either a private guard or off-duty policeman to remain on the premises until the alarm can be repaired and placed back in a functioning order.

It is hoped that sharing the above information with you will make you more aware of problems which are happening that will lead you to evaluate and continually be aware of the status of your security systems.

Sincerely,

John G. Evans
Regional Director ■

Editor's Note: This letter of information was sent to appropriate registrants in the South Central Region. It provides guidance, serves as a warning, and puts registrants on notice concerning burglaries and armed robberies of drug distributors.

DEA Amends Regulations to Allow Partial Dispensing of Prescription Orders for Schedule II Controlled Substances

SUMMARY: This rule permits the partial filling of prescriptions for Schedule II controlled substances and extends the current 72 hour time limit to a period of 60 days, if the prescriptions are written for patients in Long Term Care Facilities. This action was initiated upon request from various pharmacy professionals and organizations that current regulations be modified to permit pharmacies to partially fill prescriptions for Schedule II controlled substances issued to patients in Long Term Care Facilities **(LTCF).** This rule should reduce the health care costs to such patients by limiting the amounts of controlled substances which might otherwise accumulate at Long Term Care Facilities and still provide DEA sufficient accountability information to monitor against diversion.

21 CFR Part 1306 is amended as follows:

(1) By redesignating paragraphs (e) through (g) of **§1306.02** as paragraphs (f) through (h), and by adding a new paragraph (e) to read as follows:

§1306.02 Definitions

(e) A *"Long Term Care Facility"* **(LTCF)** means a nursing home, retirement care, mental care or other facility or institution which provides extended health care to resident patients.

(2) By revising **§1306.13** as follows:

In **§1306.13,** the existing paragraph is designated as paragraph (a), and the following paragraphs (b) and (c) are added:

§1306.13 Partial filling of prescriptions.

(b) Prescriptions for Schedule II controlled substances written for patients in Long Term Care Facilities **(LTCF)** may be filled in partial quantities, to include individual dosage units. For each partial filling, the dispensing pharmacist shall record on the back of the prescription (or on another appropriate record, uniformly maintained, and readily retrievable) the date of the partial filling, quantity dispensed, remaining quantity authorized to be dispensed and the identification of the dispensing pharmacist. The total quantity of Schedule II controlled substances dispensed in all partial fillings must not exceed the total quantity prescribed. Schedule II controlled substances dispensed in all partial fillings must not exceed the total quantity prescribed. Schedule II prescriptions, for patients in a **LTCF,** shall be valid for a period not to exceed 60 days from the issue date unless sooner terminated by the discontinuance of medication.

(c) Information pertaining to current Schedule II prescriptions for patients in a **LTCF** may be maintained in a computerized system if this system has the capability to permit:

(1) Output (display or printout) of the original prescription number, date of issue, identification of prescribing individual practitioner, identification of patient, identification of **LTCF,** identification of medication authorized (to include dosage form strength and quantity), listing of partial fillings that have been dispensed under each prescription and the information required in **§1306.13** (b).

(2) Immediate (real time) updating of the prescription record each time a partial filling of the prescription is conducted.

(3) Retrieval of partially filled Schedule II prescription information is the same as required by **§1306.22** (b) (4) and (5) for Schedule III and IV prescription refill information.

EFFECTIVE DATE: September 15, 1980.

(Federal Register, Vol. 45, No. 160, August 15, 1980, p. 54329.) ■

Editorial

In an effort to enhance DEA's Voluntary Compliance Program, 29 portable exhibits have been designed for use in this program. These will be an adjunct to DEA's national meetings and exhibits program which goes to over twenty national professional meetings annually.

There are two types of exhibits (see photographs): (1) free standing - large portable, and (2) tabletop - small portable. The twelve large portable exhibits are for use primarily at state meetings; whereas, the seventeen small portable exhibits are for use at local, district, and county meetings.

The availability of these educational and training exhibits will provide greater opportunity for DEA Compliance Investigators to convey compliance information to registrants and a focal point for registrants to *ask questions* - and get answers.

If your association or group would like to have a DEA exhibit at one of its' meetings you should write to the Compliance Program Manager at the Regional Office in your area. The list is shown elsewhere in the newsletter. ■

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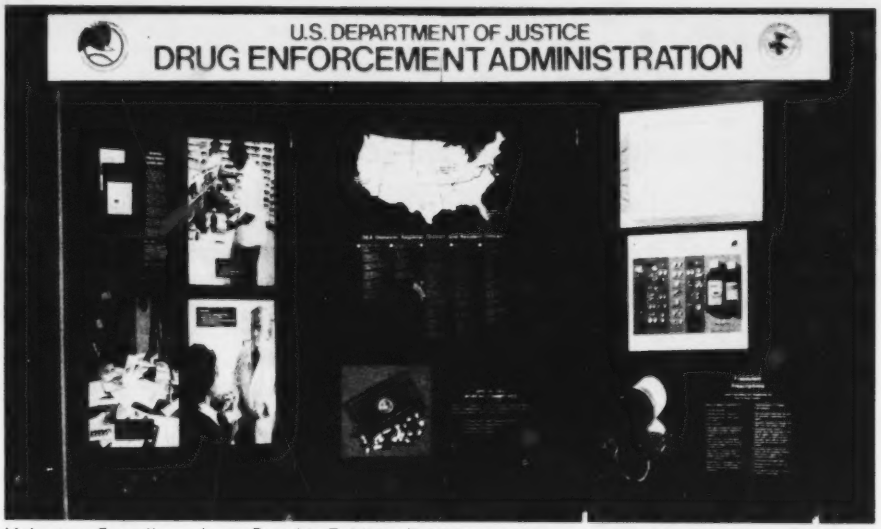
DEA/Registrant Facts is published biannually by the Drug Enforcement Administration as part of DEA's Voluntary Compliance Program. The newsletter has a limited circulation. It is sent to leaders of national and state professional associations, professional schools, licensing boards, medical and science writers, selected federal and state officials, and other key individuals.

Change of Address: Address changes should be sent to the Editor, **DEA/Registrant Facts**, Drug Enforcement Administration, 1405 I Street, N.W., Washington, D.C. 20537. Inquires for placement on the circulation list should also be sent to the Editor.

The Assistant Attorney General for Administration has determined that the publication of this periodical is necessary in the transaction of the public business required by the law of the Department of Justice. Use of funds for printing this periodical has been approved by the Director of the Office of Management and Budget through December 27, 1981.

Guest articles do not necessarily express the views of the Drug Enforcement Administration.



Voluntary Compliance Large Portable Exhibit. Exhibit stands about six feet high (with legs assembled) and opens to about six feet wide.

Publications

CSA Drug Activities Since October 27, 1970. This booklet gives a summary of drug regulation activities under the Controlled Substances Act of 1970 alphabetical by drug and chronological by effective date.

Fact Sheet: ARCOS - Automation of Reports and Consolidated Orders System. This pamphlet discusses DEA's comprehensive drug tracking system which monitors the flow of selected drugs from point of import or manufacture to point of sale, export, or other distribution.

Single copies of the above publications may be obtained without charge by writing:

Chief, Information Systems Section
Office of Compliance and Regulatory Affairs
Drug Enforcement Administration
Washington, D. C. 20537

Pharmacist's Manual (Revised June 1980). This DEA booklet is an informational outline of the Controlled Substances Act of 1970. It has been prepared as part of DEA's Voluntary Compliance Program to assist pharmacists in their understanding of the law and regulations. Single copies may be obtained without charge from DEA Regional and District Offices. ■